

# Life Insurance Choices

Group Term Life Insurance is available to you as an employee of the State of Arkansas and may be the most effective and affordable way of protecting your family's financial future. You may purchase Group Term Life Insurance and have the low premiums withdrawn from your paycheck. This handout provides details about coverage options, rates and additional benefits and services.

## Your plan at a glance

Coverage type	Coverage options	Additional information
<b>Basic Term Life and AD&amp;D — active eligible employees (Classes 1, 2 and 6)</b>	<i>Active Legislators and Constitutional Officers:</i> \$10,000 (employer-paid), and have the option of electing an additional \$30,000 (employee-paid) <i>All other employees:</i> \$10,000 (employee-paid)	<ul style="list-style-type: none"> <li>Includes matching Accidental Death and Dismemberment (AD&amp;D) benefit.</li> <li>Coverage automatically reduces, beginning at age 65, to a flat amount of coverage:               <ul style="list-style-type: none"> <li>\$5,000 at age 65</li> <li>\$4,000 at age 70</li> <li>AD&amp;D terminates at age 75</li> </ul> </li> </ul>
<b>Employee-paid Supplemental Term Life and AD&amp;D — active eligible employees</b>	<i>Active Legislators and Constitutional Officers:</i> \$1,000 increments up to the maximum of \$50,000 <i>All other employees:</i> \$1,000 increments up to the maximum of \$250,000 <i>Locked Optional:</i> Amount of supplemental coverage in force prior to November 1, 2001 or \$5,000 less, at the employee's option	<ul style="list-style-type: none"> <li>Employee will receive a profile page outlining their elected amounts.</li> <li>Includes matching AD&amp;D benefit.</li> <li>Coverage automatically decreases, beginning at age 65, to a percentage of the coverage in force prior to age 65 as follows:               <ul style="list-style-type: none"> <li>To 50 percent at age 65</li> <li>An additional 50 percent at age 70</li> <li>Maximum coverage amount, combined with basic life may not exceed \$20,000 after age 70</li> <li>AD&amp;D terminates at age 75</li> </ul> </li> <li>Locked Optional is available to those hired prior to November 2, 2000 who elected to keep the amount in force immediately prior to January 1, 2001.</li> <li>All coverage requires evidence of insurability.</li> </ul>
<b>Employee-paid Dependent Term Life — for spouses and child(ren) of active eligible employees</b>	<i>Active Legislators and Constitutional Officers:</i> \$20,000 or \$40,000 <i>All other employees:</i> \$4,000; \$8,000; \$12,000; \$16,000; \$20,000	<ul style="list-style-type: none"> <li>Spouses are guaranteed the minimum amount of coverage if elected within 30 days of initial eligibility.</li> <li>Eligible children are those who are 14 days to 19 years old, or to age 24 if not working on a full-time basis, but are a full-time student in an accredited college.               <ul style="list-style-type: none"> <li>Children 19 years and older who are incapable of self-sustaining employment due to mental or physical disability are also eligible.</li> </ul> </li> <li>Children 14 days to less than three years receive 50 percent of coverage options.</li> </ul>

## Plan features

- **Portability** — If you lose eligibility, leave or retire from the State of Arkansas, you may take your coverage with you and pay premiums directly to Minnesota Life. Premiums may be higher than those paid by active employees.
- **Accidental Death and Dismemberment (AD&D)** — If your death results from an accident or you suffer a loss from an injury as defined in the plan, you may receive an additional benefit.
- **Accelerated Benefit** — If you become terminally ill with 12 months or less to live, you may request up to 100 percent of your life insurance amount, without fees.

## Additional services

- **Beneficiary Financial Counseling** — Beneficiaries who receive at least \$25,000 in policy benefits may choose to use independent beneficiary counseling services from PricewaterhouseCoopers LLP (PwC), one of the world's leading professional services firms. The counseling services are designed to help families make sound financial decisions at a difficult time. PwC advisors do not sell insurance or investment products, and no information will be given to PwC without your beneficiary's written consent. There is no additional cost for this service.
- **Will Preparation and Legal Services** — Employees may take advantage of will preparation services through Ceridian LifeWorks. The program gives employees and their dependents telephone access to a national network of 22,000 attorneys for consultation on simple wills and testamentary trusts and simple power-of-attorney and health directives. Document review and drafting also is available.

**For more information** on Will Preparation and Legal Services, please call Ceridian LifeWorks at 1-877-849-6034 or visit [www.lifeworks.com](http://www.lifeworks.com):  
Username: will Password: preparation

## Rates

Dependent Term Life  
\$0.54 per \$1,000/month

Employee Supplemental Term Life  
Rates per \$1,000/month

Age	Rates
Under 30	\$ 0.09
30-34	0.12
35-39	0.13
40-44	0.20
45-49	0.33
50-54	0.52
55-59	0.76
60-64	1.13
65-69	2.20
70-74*	3.56
75-79	7.12
80+	11.52

Rates increase with age and are subject to change.

\*AD&D terminates at age 70.

## Calculating your premium

To calculate your monthly premium, follow these steps:

- 1.) Elect your desired coverage amount.
- 2.) Divide the coverage amount by 1,000 (rates are per \$1,000 of coverage).
- 3.) Multiply by the monthly rate from the table provided based on your current age.

### Example

A 44-year-old employee elects \$100,000 of Supplemental Term Life coverage. Following the steps provided, the calculation would be:

- 1.) \$100,000
- 2.)  $\$100,000 \div 1,000 = 100$
- 3.)  $100 \times \$0.20$  (rate for 44-year-old) = \$20.00

**\$20.00 is the employee's monthly cost for \$100,000 of Supplemental Term Life Insurance.**

## MINNESOTA LIFE

Minnesota Life Insurance Company  
A Securian Company

Group Insurance  
[www.lifebenefits.com](http://www.lifebenefits.com)

400 Robert Street North, St. Paul, MN 55101-2098

©2008 Securian Financial Group, Inc. All rights reserved.

F68970 7-2008  
A02643-0708

This is a summary of plan provisions related to the insurance policy issued by Minnesota Life to State of Arkansas, Department of Finance & Administration, Employee Benefits Division and to any certificates issued thereunder. In the event of a conflict between this summary and the policy and/or certificate, the policy and/or certificate shall dictate the insurance provisions and terms of coverage. For purposes of this paragraph, the terms "policy," "certificate" and "certificates" include any related riders, supplements, endorsements or amendments.

This product is offered under policy form series MHC-96-13180.

Services provided by Ceridian LifeWorks and PricewaterhouseCoopers LLP are their sole responsibility. The services are not affiliated with Minnesota Life, Securian Life or its group contracts and may be discontinued at any time.